



BrandGuard Vents™ Standard TERMS AND CONDITIONS

THESE STANDARD TERMS AND CONDITIONS APPLY TO ALL PURCHASES FROM AND AFTER JANUARY 2, 2008 WHETHER OR NOT SUCH PURCHASE IS SUBJECT TO A SIGNED PURCHASE ORDER AGREEMENT OR DISTRIBUTION AGREEMENT BETWEEN BrandGuard Vents AND THE PURCHASER.

The following shall govern all orders for Products by Purchaser and sales of Products by BrandGuard Vents, 6 Rancho Cir. Lake Forest, CA, 92630, USA to Purchaser from and after January 2, 2008. BrandGuard Vents reserves the right to forward any order for Products to an authorized BrandGuard Vents distributor. BrandGuard Vents or, if applicable, such distributor, shall be referred to herein as the Manufacturer. The terms herein may be updated by BrandGuard Vents from time to time. Ordering Products from Manufacturer constitutes acceptance of the terms set forth herein, as such terms may be updated. Any different, conflicting or additional terms in any purchase order or other writing from Purchaser or in any order acknowledgment or other writing from Manufacturer shall be of no force or effect unless acknowledged and executed by an officer of Manufacturer.

ORDERS:

Purchaser shall forward all purchase orders to Manufacturer at its head office via fax at 949-606-8329 or via email at info@BrandGuardvents.com or via the website at www.BrandGuardvents.com/store. No order shall be final as to Manufacturer until accepted by Manufacturer. Orders shall be deemed accepted unless rejected by Manufacturer in writing within 3(three) days of the date thereof. After acceptance of the Purchaser's order, it shall not be subject to cancellation. All sales are final. No product will be accepted for return and no credit will be allowed on any product returned unless Manufacturer has granted prior written permission. All returns shall be subject to Manufacturer's Products Return Policy, which includes provisions for authorization procedures, packaging, shipment and restocking charges, if applicable. The Products Return Policy is posted on Manufacturer's Internet website .

SHIPMENT, DELIVERY AND TITLE:

Dates of all shipments are estimated and not guaranteed. All products will be tendered and shipped F.O.B. Manufacturer's plant or warehouse and may be so tendered in several lots. In the absence of specific instructions, Manufacturer will select the carrier and ship freight prepaid and added to the price of the relevant Product (except that surface freight for non-expedited orders in excess of \$2,000 will be paid by Manufacturer). In cases where Purchaser, for any reason, requests deliveries of Products on a basis that is not in conformity with Manufacturer's standard shipping procedures, Purchaser shall be responsible for all such costs associated with premium freight and any resulting overtime required in order to make deliveries in conformance with Purchaser's required delivery schedule. Manufacturer will not be deemed to assume any liability in connection with any shipment because of the selection of a carrier or its failure to obtain insurance. Title and risk of loss or damage to each of the Products will pass to the Purchaser when delivery is made to the possession of the carrier.

TAXES AND GOVERNMENTAL CHARGES:

Prices do not include any taxes or other governmental charges, including, without limitation, value-added, sales, use or privileges taxes, or excise or similar taxes levied by any government, now or hereafter enacted. In Manufacturer's discretion, any such taxes and charges may be added to the price for any products or may be billed separately. The Purchaser will, in any event, pay all such taxes and charges, on or before their due dates. In the event Manufacturer is required at any time to pay any such tax or charge, the Purchaser will reimburse Manufacturer promptly on demand. If any governmental agency requires Purchaser to withhold any portion of the gross payment due to Manufacturer, then such payment shall be increased by an amount such that the amount actually remitted to Manufacturer is equal to the amount that would have been remitted had there been no such withholding.

TERMS OF PAYMENT:

Unless otherwise stated in Manufacturer's invoice or agreed to by the parties, terms of payment for orders shipped to destinations in the U.S. will be COD or net 10 (ten) days from date of invoice with approved credit. The terms of payment are also subject to review of Purchaser's credit by Manufacturer. Manufacturer shall have the right, at any time and from time to time, to require an irrevocable letter of credit or other assurance of payment satisfactory to



Manufacturer as a condition to acceptance of any order or shipment of any Product. Unless otherwise agreed to by Manufacturer, payment shall be by check to be drawn on Purchaser's corporate account and mailed to BrandGuard address listed above, by wire transfer to Manufacturer's account at a commercial bank Manufacturer shall designate, or by Manufacturer's draw upon a bank letter of credit satisfactory in form and substance to Manufacturer. The requirement of a letter of credit is standard for shipments outside the U.S. for special products, and for FOB factory orders. All payments by Purchaser shall be made in United States Dollars and shall be paid fully net, without set-off, deduction or counterclaim.

LATE CHARGES:

If the Purchaser fails to pay the price or any other payment due to Manufacturer promptly and when due, Manufacturer may recover, in addition to the price or payment, interest thereon at a rate equal to the lesser of 1-1/2% per month and the maximum rate of interest allowable under applicable law.

GRANT OF SECURITY INTEREST:

Purchaser hereby grants Manufacturer a security interest in all Products sold to Purchaser hereunder to secure due and punctual payment and performance of all of its obligations hereunder. Purchaser shall execute all financing statements and other documents, and take all other actions, which Manufacturer shall reasonably request to perfect, protect, continue or maintain such security interests.

LIMITED WARRANTY:

Manufacturer warrants to the Purchaser that each Product manufactured and sold by it will be free from defects in material and workmanship in its intended use (normal wear and tear excepted) for the period of 20 years from date of Purchaser's purchase (the invoice date) from Manufacturer. Manufacturer's warranty flows only to Purchaser. If any Product covered by this warranty is returned by Purchaser in accordance with Manufacturer's Products Return Policy, including without limitation its return authorization provisions, within the applicable warranty period set forth above, and upon examination Manufacturer determines to its satisfaction that such Product was defective in material or workmanship at the time of delivery to the Purchaser, Manufacturer will, at its option, repair or replace the Product or the defective part thereof, or reimburse Purchaser for the purchase price. For purposes of clarity, "repair or replace the Product or the defective part thereof" does not include any reinstallation costs or expenses, including without limitation labor costs or expenses. If Manufacturer chooses to replace the Product and is not able to do so because it has been discontinued or is not available, Manufacturer may replace it with a comparable product. The Products Return Policy is posted on Manufacturer's Internet web site at www.BrandGuardvents.com. The foregoing notwithstanding, Manufacturer will not be responsible for damage to any Product resulting from misuse, negligence, acts of God or accident or resulting from repairs or alterations made by any person or firm not duly authorized by Manufacturer in writing. Purchaser shall convey with each Product distributed to end users this MANUFACTURER'S LIMITED WARRANTY, and if Manufacturer determines that the appropriate remedy for a defective product is refund of Purchaser's purchase price, Purchaser shall refund to the end user (or arrange for the refund to the end user of) the full purchase price paid by the end user for such defective Product.

THIRD PARTY WARRANTIES:

With respect to products sold to the Purchaser by Manufacturer but not manufactured by Manufacturer, MANUFACTURER MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, but will make available to the Purchaser, to the extent permitted by law and relevant contracts, the warranties of the manufacturer of the relevant product upon the Purchaser's timely written request.

NO IMPLIED WARRANTIES:

THE WARRANTIES GIVEN IN THESE TERMS ARE THE ONLY WARRANTIES GIVEN BY THE MANUFACTURER WITH RESPECT TO THE PRODUCTS AND ARE GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, OF NON INFRINGEMENT AND OF FITNESS FOR A PARTICULAR PURPOSE. PURCHASER'S EXCLUSIVE REMEDIES, AND MANUFACTURER'S SOLE LIABILITY, FOR ANY NONCONFORMITY OR DEFECT IN ANY PRODUCT SHALL BE THOSE EXPRESSED HEREIN.

LIMITATION OF LIABILITY:

An essential purpose of the limited exclusive liabilities and remedies in this Agreement is allocation of risks between Manufacturer and Purchaser, which allocation of risks is reflected in the purchase price for the Products. UNDER NO CIRCUMSTANCES SHALL MANUFACTURER'S LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR MANUFACTURER'S PERFORMANCE OR ASSERTED FAILURE TO PERFORM HEREUNDER, IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE PURCHASE PRICE OF THE PRODUCT TO WHICH SUCH LIABILITY RELATES. IN NO EVENT SHALL MANUFACTURER BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM LOSS OF USE, PROFITS, BUSINESS OR GOODWILL, WHETHER OR NOT MANUFACTURER HAS BEEN ADVISED OF THE POSSIBILITY THEREOF.

EXPORT; COMPLIANCE WITH LAWS:

Purchaser shall comply with all applicable laws, including, without limitation, the export control laws in effect in the United States, Canada and Europe and applicable regulations which may be issued from time to time concerning the exporting, importing and reexporting of the Manufacturer's Products and the direct products thereof. Purchaser acknowledges that shipments of the Manufacturer's Products are subject to the export laws of the United States and that such laws could delay or preclude delivery of Manufacturer's Products in the future. Purchaser shall also comply with the United States Foreign Corrupt Practices Act, and shall indemnify the Manufacturer of any failure to comply or violation of such Act by Purchaser. Purchaser shall, at its sole cost and expense, obtain and maintain in effect all permits, licenses and other consents necessary to the conduct of its activities hereunder.

NON-EXCLUSIVE:

Nothing contained within this agreement shall be construed to establish an exclusive relationship between Manufacturer and Purchaser within any territory or within any Product type.

INDEMNIFICATION:

Purchaser shall indemnify, defend and hold harmless Manufacturer and its officers, directors, agents, employees, affiliates, representatives, successors, and assigns from and against all losses, liabilities, costs and expenses (including, without limitation, attorneys' fees) arising out of or in connection with claims by third parties for any loss, damage or injury (including death) caused or alleged to be caused by (a) breach by Purchaser or its employees, partners to whom Purchaser sold Product, contractors, representatives, agents or affiliates, (collectively, "Purchaser Parties") of any obligation herein; (b) negligent use, application, installation or implementation of Product by any of the Purchaser Parties; and/or (c) unless authorized in writing by Manufacturer, modification of Product or integration of Product into other products by any of the Purchaser Parties. Purchaser shall not join, settle or otherwise attempt to affect or dispose of any such claim without Manufacturer's written consent.

MISCELLANEOUS:

Manufacturer and Purchaser are independent contractors and shall not represent themselves as principal and agent, partners or joint venturers. This Agreement shall be governed by California law as if fully performed in California and without regard to its conflicts of laws principles. In connection with any dispute hereunder, Manufacturer and Purchaser irrevocably submit to the exclusive jurisdiction and venue of the state and federal courts located in California and waive any right to jury trial. Any notice under this Agreement shall be in writing, delivered personally or by facsimile to the address as the addressee shall have last furnished in writing to the addressor. Such notice shall be effective upon receipt. The provisions of this Agreement are severable and shall be interpreted so as to be valid and enforceable to the maximum extent possible under applicable law. Any invalid or unenforceable provision shall be reformed or replaced by a valid and enforceable provision that is as similar in meaning as possible, and the remaining provisions shall remain enforceable to the fullest extent permitted by law. The rights granted hereunder are personal to Purchaser, and Purchaser may not assign its rights or delegate its duties, including without limitation, in connection with a merger, consolidation, acquisition, asset sale or similar transaction, without the prior written consent of Manufacturer. The waiver by either party of a breach or a default of any provision of this Agreement by the other party shall not be construed as a waiver of any succeeding breach of the same or any other provision, nor shall any delay or omission on the part of either party to exercise or avail itself of any right, power or privilege that it has, or may have hereunder, operate as a waiver of any right, power or privilege by such party.



BrandGuard Vents products are sold and supported with the intent for installation in end user projects. These products cannot be incorporated in other manufacturer's products or remarketed under other brand names without an agreement with BrandGuard Vents. BrandGuard Vents offers a line of Flame and Ember Resistant Vents and support services ideally suited for these situations. Contact info@BrandGuardvents.com for more information.